UNDP

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DEVELOPMENT
PROGRAMME

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ENGLISH

APPROVAL OF UNDP ASSISTANCE TO A PROJECT OF ECUADOR

IPF:(1987-91) $8 864 000

(ECU/89/011) - Macroeconomic Management Information System (SICNA)

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Date of approval:	18 January 1990
Expected duration:	18 months
Proposed executing agency:	United Nations
Government implementing agency:	Secretaría General de la Administración Pública
Proposed UNDP contribution:	$ 426 600 Source of funds: IPF
Total UNDP budget:	$ 426 600

Project background

As a consequence of the economic crisis that Ecuador has been experiencing since the beginning of the past decade, short-term macroeconomic management has been gaining increasing importance. However, there has been a lack of coordination between the governmental institutions responsible for the formulation and execution of macroeconomic policies.

Economic analyses that incorporate inter-sectorial relationships are almost non-existent in the country, as are methodologies or information systems for these purposes. Statistical information is insufficient, and coordination between producers and users is insignificant. This situation has determined that the statistical information available, mainly that produced by the Central Bank and the National Census Institute (INEC), is unreliable and generally too old for macroeconomic programming purposes. Coupled with this lack of information, the Presidency of the Republic and other top economic managers in the Central Bank, do not have specialized staff to analyze and process economic information and to counsel in the policy formulation process. In light of this, the Government has requested UNDP assistance under the present approval.

Description of project

The project will create an inter-institutional information system, that provides basic macroeconomic data for the following sectors: fiscal, monetary, public, external, real, global macroeconomic consistency and international contextual analysis. The information system will link eight governmental institutions responsible for macroeconomic management, including the presidency of the republic and the Central Bank; and will also incorporate three state enterprises and the private sector.

Additionally, the project will help create information and analysis units in the Central Bank and in the Presidency of the Republic, to help in the policy formulation process. These institutions will also develop information units in charge of updating information, checking its consistency and analyzing macroeconomic developments.

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While developing the information system, the project will also create basic economic analysis tools, a macroeconomic policy monitoring system, a project monitoring system; and will give training in different areas to government officials.

Inputs

UNDP will provide the services of international consultants (27 work-months) on macroeconomic analysis, information and management systems, and other areas to be determined; and national consultants (200 work-months) on public sector external policy, public monetary policy, economic and social policies, informatics and statistics, models, macroeconomic policies, administration and other areas to be determined; subcontracts to advise the Presidency and prepare a macroeconomic analysis based on the results of SIGMA; in-service and group training; computer equipment; and miscellaneous costs.

Financial data

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Personnel	253 200
Subcontract	72 000
Training	43 900
Equipment	49 300
Miscellaneous	8 200
Total	426 600

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